## 1 March 1976

## NOTE FOR GEORGE CARVER

Thank you for your memorandum on the national production problem. I read it with great interest over the weekend. I find it frank, detailed, and helpful, and I have no specific points at the moment to raise. It does strike me, on page 14, that your reference to the IC Staff makes it appear to be of recent vintage. I would think it worthwhile to indicate that the reason for the IC Staff was at least sensed as early as 1963 when John McCone set up NIPE. At that time, of course, resource issues did not burn as deeply as they do now, and it was the intensification of resource issues, beginning in 1971, that was the impetus for what has become the IC Staff.

My only other point is one that I am trying hard to think through within my own mind. It goes without saying that the IC Staff is perceived to be a confused and confusing component. And, now that we stand at cross roads looking at options for future arrangements, that imagery is getting in the way. The thing all of us must do is to re-think arrangements based upon the meaning (and opportunities) built into the two-deputy concept. (What has been the IC Staff should not be confused with a DDCI for the Community, a job that will be larger in importance than that of the D/DCI/IC.)

If one looks at a Community deputy and conjures up all of the responsibilities that <u>could</u> be assigned to him, it does indeed seem fair to me that one alternative is to invest him with the national production responsibility. I agree with you that the symbolism is wrong if that deputy is a military officer. But, this may be sufficient reason why the Community deputy should not be a military man. Why not a civilian who has come up through the top rungs of the military establishment?

It is my hope and expectation at this stage in history that the DCI will attach the national production mechanism directly to his own office. As arrangements evolve in the future, he could move this function or keep it, whichever he prefers.

I have a concern in attaching the national production responsibility directly to the DCI. Most of us agree that the incumbent's predisposition is to be active on the outside, reestablishing confidence, and building new relationships within the Executive and on the Hill. It is certainly true that national production is a fundamental DCI responsibility, but I would hate to see him so overwhelmed by the demands of his national production mechanism that he feels constrained in meeting his other tasks.